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**Hart Schaffner & Marx**

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**Fifth Annual Report, November 30, 1915**  
with  
**Auditors' Certificate**

# Hart Schaffner & Marx

Chicago

New York

New York, January 24, 1916.

To the Stockholders:

The Board of Directors herewith submits to you a financial statement of the Company for the fiscal year ending on November 30, 1915, together with a report from Messrs. Price, Waterhouse & Company, Certified Public Accountants.

The affairs of the Company are in excellent condition. Profits are on a normal basis and the outlook is highly favorable.

Yours truly,

HARRY HART,

*President.*

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## Auditors' Report

To the Stockholders of

Hart Schaffner & Marx:

We have examined the books and accounts of Hart Schaffner & Marx for the fiscal year ending on November 30, 1915, and certify that the attached Balance Sheet and Income Account are correctly prepared therefrom.

The Merchandise and Materials on hand, as shown by Inventories certified by the responsible officials, have been valued at or below cost prices, due allowance having been made for possible shrinkage in value of Merchandise carried over. Liberal Reserves have been made for Bad and Doubtful Accounts Receivable, Discounts and other contingencies, and full provision has been made for all ascertained Liabilities, while the Cash and Bank Balances have been verified by actual count or by certificates obtained from the depositories; and

WE CERTIFY that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company on November 30, 1915, and that the relative Income Account is a fair and correct statement of the Net Profits and Income for the year ending on that date.

PRICE, WATERHOUSE & CO.,

*Certified Public Accountants.*

Chicago, January 8, 1916.

# Hart Schaffner & Marx

Balance Sheet, as at November 30, 1915

## Assets

GOODWILL, TRADE NAMES AND TRADE MARKS.....		\$15,000,000.00
SHOP EQUIPMENT AND FIXTURES, INCLUDING.....		
OFFICE FURNITURE.....	\$411,345.58	
LESS—Depreciation Reserve.....	156,491.21	254,854.37
<b>CURRENT ASSETS:</b>		
Inventories of Materials and Finished and Partly finished Merchandise on hand (at or below cost).....	\$2,196,032.13	
Accounts and Bills Receivable (Net).....	2,465,846.38	
Cash in Banks and on Hand.....	2,264,801.11	6,926,679.62
<b>DEFERRED CHARGES TO FUTURE OPERATIONS:</b> .....		
Prepaid Insurance Premiums.....		10,240.12
		<u>\$22,191,774.11</u>

## Liabilities

<b>CAPITAL STOCK:</b>		
7% Cumulative Preferred Stock—		
Originally Authorized and Issued—		
50,000 Shares of \$100.00 each.....	\$5,000,000.00	
<b>LESS:</b>		
Redeemed and Cancelled—7,000 Shares of \$100.00 each.....	\$700,000.00	
Purchased during year and held in the Treasury for cancellation—4,135 Shares of \$100.00 each....	413,500.00	1,113,500.00
Outstanding—38,865 Shares of \$100.00 each.....	\$3,886,500.00	
<b>Common Stock—</b>		
Authorized, Issued and Outstanding—		
150,000 Shares of \$100.00 each.....	15,000,000.00	\$18,886,500.00
<b>CURRENT LIABILITIES:</b>		
Accounts and Vouchers Payable.....	\$147,119.53	
Accrued Liabilities for Pay Rolls, Salaries, Taxes, etc.	234,206.79	
Preferred Stock Dividend (Payable Dec. 31, 1915).....	67,305.00	448,631.32
<b>RESERVE FUNDS:</b>		
Preferred Stock Redemption Fund.....	\$1,113,500.00	
Reserve for Contingencies.....	150,000.00	1,263,500.00
<b>SURPLUS as per Statement below.....</b>		1,593,142.79
		<u>\$22,191,774.11</u>

## Income and Surplus Account

For the Year Ending November 30, 1915

Profits for the year after deducting all Expenses of Manufacturing and Marketing, including adequate Allowances for Federal income Tax, loss on Fall Goods carried over, Discounts on Customers' Accounts, Contingent Losses on the liquidation of Receivables and Trade Advances and for Depreciation of Shop Equipment, Fixtures, Etc.....	\$1,235,435.87
ADD—Interest Received on Bank Balances, Etc. (Net).....	52,069.55
Net Profits and Income for the year.....	\$1,287,505.42
<b>DEDUCT—Appropriations therefrom—</b>	
Preferred Stock Dividends paid and declared, 7% per annum.....	\$286,110.02
Preferred Stock Redemption Fund.....	413,500.00
Premiums paid on Preferred Stock purchased.....	40,662.71
Net surplus for the year.....	\$ 547,232.69
ADD—Balance of Surplus at December 1, 1914.....	1,045,910.10
Total Unappropriated Surplus at November 30, 1915, as per Balance Sheet.....	<u>\$1,593,142.79</u>